Introduced by Assembly Member Ma

(Principal coauthor: Senator Leno)

February 27, 2009

An act to add Chapter 10.1 (commencing with Section 46100) to Division 17 of the Food and Agricultural Code, relating to organic foods.

LEGISLATIVE COUNSEL'S DIGEST

AB 1401, as introduced, Ma. Transition to Organics Act.

Existing law prohibits a food from being sold as organic unless it meets certain criteria, and accurate and specific records are kept detailing its production, handling, and sale.

This bill would enact the California Transition to Organics Act of 2009. The bill would establish the Transition to Organics Fund, and would specify the uses for which the money in the fund could be expended. The fund would be administered by the Secretary of Food and Agriculture, and the secretary would be authorized to adopt regulations to carry out the provisions of the act.

The bill would also require the secretary to establish a general account within the fund and separate accounts for each county, for specified purposes related to providing financial assistance to farms transitioning from conventional farm to certified organic farms.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

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The people of the State of California do enact as follows:

SECTION 1. Chapter 10.1 (commencing with Section 46100) is added to Division 17 of the Food and Agricultural Code, to read:

Chapter 10.1. Transition to Organics Act

- 46100. This chapter shall be known and may be cited as the "California Transition to Organics Act of 2009."
- 46101. This act shall be shall be interpreted in conjunction with the National Organic Program (7 U.S.C. Sec. 6501 et seq.), the California Organic Products Act of 2003 (Chapter 10 (commencing with Section 46000) of this code, and Article 7 (commencing with Section 110810) of Chapter 5 of Part 5 of Division 104 of the Health and Safety Code), and the regulations adopted pursuant to the National Organic Program and the California Organic Products Act of 2003.
- 46102. For purposes of this chapter, the following definitions apply:
 - (a) "Act" means this chapter.
- (b) "Agricultural product" means any agricultural commodity or product, whether raw or processed that is marketed in the United States for human or livestock consumption.
- (c) "Certified organic farm" means a farm, or portion of a farm, or site where agricultural products are produced, that is certified by the certifying agent pursuant to the National Organic Program and the California Organic Products Act of 2003 as utilizing a system of organic farming.
- (d) "Conventional farm" means any farm, or portion of a farm, that is not a certified organic farm, and has as of the date of the passage of this act, submitted a pesticide use report for that farm pursuant to Section 12979.
- (e) "Organically produced" means an agricultural product that is produced and handled in accordance with the National Organic Program and the California Organic Products Act.
- (f) "Person" means an individual, group of individuals, corporation, association, organization, cooperative, or other entity.
- (g) "Pesticide" means any substance that alone, in chemical combination, or in any formulation with one or more substances,

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is defined as a pesticide in the Federal Insecticide, Fungicide, and 2 Rodenticide Act (7 U.S.C. 136 et seq.). 3

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- (h) "Secretary" means the Secretary of Food and Agriculture.
- 46103. The Transition To Organics Fund is hereby created. The Transition To Organics Fund is not a fund of the State Treasury. Transfers to the Transition To Organics Fund may be deposited in the State Treasury, or in a bank or other depository approved by the Department of Finance. Funds that are so transferred are exempt from Sections 11270 and 11272 of the Government Code.
- 46104. The Transition To Organics fund shall consist of moneys deposited into the fund from federal, industry, and citizen sources. The Transition To Organics Fund may additionally receive moneys from the General Fund.
- 46105. The Transition To Organics Fund shall be administered by the secretary. The secretary may adopt regulations as needed to carry out the provisions of this act.
- 46106. Expenditure of funds by the secretary pursuant to this act shall be limited to the following:
- (a) Providing financial assistance to farmers who are transitioning from conventional farms to certified organic farms.
- (b) Reasonable administrative and operational expenses incurred in the administration of this act.
- 46107. The secretary shall establish separate accounts within the Transition to Organics Fund. The secretary shall establish a general account. The secretary shall additionally establish separate county accounts, with one county account for each county in the state.
- 46108. Subject to Section 46113, moneys deposited within a county account shall only be expended by the secretary for providing financial assistance to farmers who are transitioning farms located within that county from conventional farming to certified organic farms.
- 46109. Moneys deposited into the general account may be used to provide financial assistance to any farmer in the state who is transitioning from a conventional farm to a certified organic farm, as well as for reasonable administrative expenses pursuant to Section 46106.
- 39 46110. The secretary shall receive and accept on behalf of the 40 Transition to Organics Fund, any contribution of money from any

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person, or any agency of this state or the Unites States to the
Transition to Organics Fund, and shall deposit those contributions
in the Transition to Organics Fund.

- 46111. Any contribution specifically directed by a contributor toward a particular county account shall be deposited in that specified county account.
- 46112. Any contribution specifically directed by a contributor toward the general account, shall be deposited in the general account. Any contribution that is not specifically directed by the contributor toward a particular account within the Transition To Organics Fund, shall be deposited in the general account.
- 46113. In the event that a county account has funds within it, and no moneys within that county account have been distributed pursuant to this act to farmers within that county for a total of three years, the secretary may transfer some, or all, of the funds within that county account to the general account, and these transferred funds will no longer be limited to distribution within that county.
- 46114. The secretary shall specify the procedures to be used by farmers seeking financial assistance pursuant to this act, as well as the standards to be utilized by the secretary in determining eligibility for this assistance.
- 46115. In the disbursement of funds from both the general account and the county accounts, the secretary shall seek to maximize the acreage of farm land transitioning each year from conventional farms to certified organic farms. To accomplish this objective, the rules or regulations adopted pursuant to this act shall include all of the following:
- (a) Prescribing the minimum and maximum amount of assistance to be provided to each qualifying farmer.
- (b) Providing for financial assistance pursuant to this act based upon the acreage of a farm, with at least some measure of greater financial assistance being provided for farms of greater size.
- 46116. The secretary shall keep records of the contributions to, and disbursements from, the Transition to Organics Fund. These records shall be publicly available.